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I thought that it might be useful to summarize for you how our National Intelligence Estimates are produced and to describe some recent developments and changes in our handling of that process.

About a year ago, the DCI authorized the establishment of the National Intelligence Council as the organization responsible for producing formal interagency intelligence assessments. The NIC thereby became the lineal successor to the NIO system and its predecessor, the Office of National Estimates, which had formerly carried out this responsibility. As Chairman of the NIC, I am charged by the DCI and by the Deputy Director, National Foreign Assessment, with overall responsibility for making the new system work.

The "new" arrangements are based on much that is tried and true. National Estimates continue to be issued by the DCI, who personally signs and authorizes the publication of each, just as he always has. The substantive judgments and supporting data that go into each Estimate continue to be the responsibility of the individual National Intelligence Officer presiding over that particular product. The NIO thus remains the key figure in the process.

There are currently eleven NIOs in the NIC. Six have specific geographic responsibilities, two are concerned with military matters (strategic programs, and general purpose forces), and there is an NIO for Warning -- the second hat that I wear. As Warning NIO, I oversee the production of interagency-approved Alert Memorandums for the policymaker on situations of potential warning importance. There are also two "NIOs-at-Large," whose chief role will be to help provide the kind of peer review of estimates that had been provided in the old Board of

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National Estimates but that was lacking in the NIO system. Two more "at-Large" NIOs will be added.

Each NIO with a specific account is the DCI's senior staff officer for his or her area and assists the DCI in his participation in the National Security Council and its subcommittees; in contributing to briefings of the President, Congressional leaders, committees, and staffs; and in staying in close contact with senior State, Defense, NSC, and other policymaking officers in order to identify those questions of concern to them on which intelligence can assist. Equally important, he is responsible for seeing that intelligence production actually does try to answer those questions, which is, after all, the real purpose of preparing National Intelligence Estimates.

Once the need for an Estimate is recognized and the DCI has approved going ahead with it, the appropriate NIO convenes representatives of the Intelligence Community agencies to prepare written terms of reference for the Estimate. At about the same time the NIO selects a drafter to write the Estimate. As was the case under the NIO system that preceded the NIC, the NIO can draw on the entire Community in looking for the best possible analyst or analysts to do the job. For elaborate papers, especially those on complex military and technical subjects, the NIO may form one or more interagency working groups to do all or parts of the paper.

With the organization of the NIC, the NIOs have acquired another option in arranging for the services of experts to draft Estimates. We are in the process of assembling a small staff of highly experienced analysts who will be available to the NIOs as drafters. This staff, which we call our Analytic Group, is headed by my deputy, Hal Ford. In

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time, the AG should be able to take on responsibility for drafting many -- but never all -- of the Estimates we produce, thereby lessening the need to find drafters among already heavily burdened analysts assigned elsewhere.

At full strength, the AG will consist of  analysts, but <sup>25X1</sup> we are building it slowly, going for quality rather than speed. AG members are and will be drawn from across the Intelligence Community, not just from NFAC or CIA, and each of its members will serve with the NIC for a two- or three-year rotational tour. Each must be a broad-gauged analyst, ideally one with experience in several disciplinary fields or more than one broad geographic area. Even more important, we hope that each will have that rare combination of scholarship, diplomacy, and ability to produce simple, elegant prose that makes Estimates writers a breed apart.

Let's return again to the estimative process itself. Once the terms of reference for a new paper are agreed upon and a drafter is chosen, a first draft of the Estimate is written under the general guidance of the sponsoring NIO. It is normal practice for the NIO to employ a panel of outside consultants to review the paper and suggest ways to improve it. This may be done at various stages in producing the paper, the most important of which is at the point when an initial draft is complete. It is also at this point that internal consultants -- the Senior Review Panel, the NIOs-at-Large, and others -- review and constructively criticize the draft.

Once the NIO and his superiors are satisfied with the draft, it is distributed to the Intelligence Community agencies for their coordination. This is a vitally important part of the process. Its purpose

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is not to create a bland, homogenized paper that carefully obscures all differences of view. On the contrary, it is intended as a step to resolve the trivial differences and illuminate the important ones. To do this well requires all the skill of the NIO, who must ensure that alternate interpretations are presented in parallel, with the supporting arguments arrayed so that the reader will understand not only the "what" but also the "why" of the different viewpoints. I should also emphasize that we are more interested in what the differing views are than in who holds them; differences among analysts of a single agency are just as important as differences among agencies.

The final stage in producing an Estimate is its presentation to the National Foreign Intelligence Board. The DCI issues Estimates with the advice of the Board. Each member has the right to dissent from all or any part of an Estimate. Usually the Board ratifies papers on terms that have already been worked out at a lower level in the coordination process, but agency principals retain the right -- and often exercise it -- to have their own dissenting views expressed in their own way.

I have described the process as it normally unfolds, but we have made provision for telescoping these procedures when the occasion demands a quickly-produced Estimate. The major annual Soviet strategic Estimate takes six months or more to prepare, and others take as long or longer, but using the streamlined procedures introduced under the NIC, we have in several recent instances been able to turn out short, special Estimates within a week or two. We hope to make steady improvement in producing most Estimates more expeditiously.

We are, of course, still in the relatively early stages of this new organizational venture, and it is far too soon to pass judgment on

it. Much remains to be done to make the system as efficient and as responsive as it needs to be. We intend that the changes already made, plus those to follow, will equip us with the kind of system we must have in order to keep up with the demands for high-quality, timely Estimates our masters will be placing on us throughout the turbulent 1980s and beyond.